July 9, 2006

Opposition to a proposed FTC ruling: Trade Regulation Rule on Business Opportunities

We are in favor of consumers being informed before joining a business opportunity, but it is our opinion that the proposed "Trade Regulation Rule on Business Opportunities" places an undue burden on those of us marketing a credible, financially stable, equal opportunity business. We are in agreement that illegal schemes and fraudulent business opportunities should be shut down, but strongly believe that any proposed ruling to aid in this effort should not do harm to legitimate enterprises. Simple, uniform, industry-wide disclosures should be sufficient information for a consumer to make a decision.

My husband and I are Independent Business Owners with Quixtar. We have been registered since late 1999. We have realized both financial and personal growth benefits. When we were shown the business opportunity we believe that we were given enough information to make an informed decision, especially considering that the initial required investment is less than \$100, a ridiculously low figure for starting up a business and a low risk of money and time.

We find it insulting that this proposed rule places a requirement to wait 7 days before being allowed to participate in a business opportunity. As responsible adults, we can decide to join a group, a church, accept an offer of employment, purchase stock on one of the exchanges or make an investment in a start-up company without a waiting period, so why would we be asked to wait 7 days to register? This waiting period would be unreasonable for those of us who travel out of town to conduct business; it would slow our growth and create additional expenses, both time and money. In addition, our Quixtar relationship has shown us that Quixtar is a company with integrity and if anyone is dissatisfied for any reason, the company is quick to step in and improve the situation. A reasonable cancellation notice should be sufficient.

When we present the business opportunity to others, we provide several websites that offer the facts about starting a Quixtar business and facts about income and bonus payment methods. We give our personal experiences and emphasize that while the business is simple, it isn't easy; as with any business to make significant income requires hard work and time. And, as with any business or job, there is no guarantee for success and no instant wealth.

It would be upsetting and unfair to carry around litigation papers to present to a prospect. Anyone can file suit against anyone else; the litigation doesn't make the company bad or wrong, it simply is our justice system at work. Before we partake of a city or state service, should the government be required to present us with all the litigation brought against it? To what point? I don't expect to see the litigation against any Internet business such as Amazon before I decide what books to purchase.

We also are opposed to the requirement to reveal our earnings. We are a private business and as such would never expect to reveal our salaries or business earnings. Private enterprises and individuals reasonably expect that their financial data is kept private. Additionally, with a direct selling opportunity, each individual has the freedom to earn as much or as little as he or she wishes. Our income has no bearing on what another may earn and in fact, sharing our earnings may mislead the individual to expect the same whether the amount is considered large or small.

Please do not place additional burdens on companies shown to be legal and ethical. Please do spend time enforcing the laws already in existence to expose and shutdown illegal schemes. The illegal enterprises give everyone a black eye. We encourage you to keep the ruling simple and uniform for the industry.